



## **SMALL BUSINESS ADVOCACY COUNCIL**

**Minutes of the meeting held December 15, 2015  
8:30 am – 10:00 am**

**Commerce RI  
315 Iron Horse Way  
Providence, RI**

### **ATTENDANCE:**

Lt Governor Daniel McKee

Drew Allsopp, Lt. Governor's Office  
Sherri Carrera, Commerce RI  
Ralph Coppola, Meridian  
Joshua Daly, RI Small Business Center URI  
Jessica David, RI Foundation  
Mark Deion, Deion Assoc.  
Maureen Ewing, Secretary of State's Office  
Mary Gervais, Center for Women & Enterprise  
Barbara Goodrich, Lt. Governor's Office  
John Gregory, Northern RI Chamber of Commerce  
Mark Hayward, SBA  
Stephen Lombardi, East Greenwich Chamber of Commerce  
Melissa Long, Secretary of State Office  
Terry Martiesian, Martiesian Law Assoc.  
Dr. Edward Mazze, URI  
Erika Niedowski, Lt. Governor's Office  
Janet Raymond, Greater Providence Chamber of Commerce  
Nancy Scarduzio, DOA Mgt. & Regulatory Reform  
Lauren Slocum, Central RI Chamber of Commerce  
Liz Tanner, Commerce RI  
Melissa Travis, Health Source RI  
Bill Vernon, NFIB  
Bud Violet, Ocean State BDA  
Cap Willey, CB Tofias

### **CALL TO ORDER:**

The meeting was called to order at 8:35 am by Lieutenant Governor Daniel J. McKee. All those present were asked to please sign in.

#### **APPROVAL OF THE MINUTES:**

A motion was made and seconded to approve the July 28, 2015 meeting minutes. The minutes were unanimously approved without correction.

#### **UPDATE FROM COMMERCE RI, Liz Tanner**

Liz Tanner from Commerce RI reported that the Business Navigation Center is up and running with the goal of being a one stop shop in terms of answering questions, helping businesses expand and finding appropriate facilities. A Business Navigation Center pamphlet was distributed to the council members.

Liz also announced that she has created a program called ACT (Agency Cross Training). Sixteen state agencies will meet monthly to share program and services information in order to improve relationships, communication, and cross referrals. DLT alone has 13 programs and services.

STAT (Statewide Action Team) has been working to help solve extremely time sensitive matters. The situation must meet specific criteria and comes with the power of the Secretary of Commerce. STAT is available 24-7 and has only been used three or four times. Governor Raimondo is kept informed of any situation that required STAT intervention.

Commerce is taking on the task of compiling a list of common areas of complaint and will be looking to make changes that will impact these issues. They continue to want to hear of any issues but noted the information needs to be as specific as possible in order to address.

A Latino website is being launched to help mentor Latino business owners and encourage them, and future business owners, to see what products and services are available to assist them.

Outreach is a priority to Commerce RI. Liz reported she has been meeting with Chamber heads every 6-8 weeks, working with trade organizations, Rotary Clubs, incubators and business coalitions. If any member can think of a group that would benefit from meeting with Liz, please let her know as she will be happy to set something up.

A municipality initiative has begun. Four communities (West Warwick, Woonsocket, Pawtucket, and North Smithfield) are working with Commerce to establish a lead process for business regulations for small businesses. The initiative is to generate a single application in an efficient format for all communities to work from. This will also encourage most communities to evaluate their permit and license fees which in many cases have not been brought up-to-date.

Lieutenant Governor McKee thanked Liz Tanner for her many efforts and also commented that she has been working closely with his office as well. The Lieutenant Governor noted that "persistence" will be needed to make all the initiatives work and that we need to be specific to make progress.

#### **PUC/NATIONAL GRID, Lieutenant Governor McKee**

Lieutenant Governor McKee informed the council that the PUC website will be launched in the next few weeks. This website, framed by a successful website in Pennsylvania where 40% of its consumers utilize the competition, will list all the data and options regarding energy providers. The consumer will then be able to calculate what their cost savings will be and how to contact each company.

The Lieutenant Governor's office was able to change the procurement pertaining to energy purchase thus spreading it out over two time periods to ease the burden for those who leave a carrier.

This year the Lieutenant Governor's office is looking to change one piece legislation shifting authority back from the General Assembly to the PUC. He is expecting push back from this but is planning on educating business owners to gain their support for this measure. \$40,000 has been allocated in the Lieutenant Governor's budget for legal assistance so that his office can intervene in such matters that concern protecting small businesses.

#### **REVIEW OF THUMBTRACK SUMMIT:**

The event was held Wednesday, November 18<sup>th</sup> at Amica covering the topic "Improving Business Friendliness, Earning an A". The next step is to reconvene in six months to discuss what has been accomplished.

The next Thumbtrack survey will be sent to businesses in late January or early February. Erika Niedowski from the Lieutenant Governor McKee's office reported that in an effort to start improving our grade, she will reach out in mid-January to the Thumbtrack network informing them of two events that were held and also provide updates on Commerce initiatives and resources.

A May, 2016 Roundtable is planned.

#### **OLD BUSINESS:**

Lt. Governor McKee stated that he participated in the Support Small Business initiative both in East Greenwich and in Central Falls.

#### **NEW BUSINESS:**

Mark Hayward encouraged everyone to attend the upcoming 2016 RI Small Business Economic Summit sponsored by SBA and Center for Women and Enterprise which will be held at Bryant University, Friday, January 8, 2016 from 7:30 am to 1:00 pm. Summit information was distributed to the council and registration concludes December 30, 2015 with 50 registrations received to date.

Secretary of Commerce, Stefan Pryor will open the Summit with an initial overview and Governor Gina Raimondo, General Treasurer Seth Magaziner, Secretary of State Nellie Gorbea, and Speaker Mattiello have committed to attend.

Sub-committee Chairs and Vice-Chairs have been meeting and committee participants are welcome. Some of the topics covered by the Chairs are listed below:

Cap Willey discussed tweaking the tax system and fixing the length of time required to obtain a letter of good standing. It presently requires 4-6 weeks to get the letter that some other states provide in

one day. There have been issues where two agencies require sign-off from one another, and it becomes a stalemate for the business owner. Referring to such an incident, Mark Dione noted that no state agency should refuse money owed that eventually results in penalty and fines for late payment.

Some members expressed frustration that we keep talking about the same old problems. John Gregory warned the group to remember the situation was not created overnight, and this administration is working diligently to resolve many of these issues. It was stated that for 5 years we have been advocating for an electronic permit system. The Secretary of State's office noted they now have same day filing service, and they are working hard to improve triage issues. It will take education and cooperation between agencies to create these efficiencies. DOT was another agency that in a member's opinion halts progress for business owners.

Spending power within minority businesses is increasing and we need to market to minority communities and break through the barrier concerning trust issues. Women and minority owned businesses often have difficulty gaining access to capital. Outreach will be key. Lieutenant Governor McKee informed the group he is meeting with a group of business owners from the south side of Providence today after this meeting.

In matters of affordable Healthcare, the ACA may incur some changes. Presently RI has a state health exchange, HSRI, which is helping many consumers but still needs to focus on reaching out to small businesses to determine their problems and needs. The challenge for HSRI to market their program so that small businesses know their options. Some desperately require technical assistance. Questions that will need to be answered are..."where will we take our system regardless of what happens to the ACA" as well as "can we maintain a cost-effective healthcare system?"

Ralph Coppola suggested the Lieutenant Governor discuss with RI's delegation the federal regulation that states when a couple owns a business together only one of them can be eligible to participate in the ACA.

Regarding Workforce Development, it was stressed that apprenticeships and workforce training is vital to move forward. Rhode Island needs to market itself.

John Gregory stated the school funding formula is a business problem. The business community needs well educated students to succeed. Lieutenant Governor McKee informed the council that his office will be launching an education piece in late-January for better public schools. Test results showed that Rhode Island is seriously lagging behind Massachusetts adding these results mirror their respective economy. He continued that if we can raise the outcome in Rhode Island's test scores, it should provide approximately \$1.7 billion more earning power. He stressed it will be very difficult to challenge the status quo, and we will need the business community to help lead the charge. Cap Willey informed the Lieutenant Governor that when Massachusetts instituted their education reform, which has proven successful, they had active support from businesses. A rally for great public schools is planned for March.

When questioned what the per pupil expenditure is in Massachusetts compared to Rhode Island, Lieutenant Governor McKee replied it was within \$100 of each other on average. A discussion ensued regarding how attendance rates reflect graduation rates. At the Mayoral Academies, where they outperformed the district schools, the attendance rate is less than 8%. The Lieutenant Governor said he will set up a tour of the Blackstone Valley Prep charter schools for any interested

council member. Dr. Mazze again remarked that RI needs to celebrate its successes and communicate these successes. When it comes to education, 90% of the people in the state do not know what is going on. He added we need to put the statistics out there for the public in order to hold a successful education campaign.

**EFFORTS TO BOOST SMALL BUSINESS & ENTREPRENEURSHIP WITH RI POPULATIONS:**

Lieutenant Governor has been visiting Rhode Island universities to speak with a core group of entrepreneurship students to relay the message we want to give them a reason to stay in the state. He has already visited URI, Johnson & Wales and Brown and is scheduled to visit PC and Bryant. If any council member is interested in accompanying him on these visitations, please let him know.

**UPCOMING LEGISLATIVE SESSION:**

This item will be updated at meetings through the session.

**REVIEW OF SBAC STATUTE 42-91:**

The present statute was distributed to the SBAC members for review and discussion in the future.

**ANNOUNCEMENTS:**

None

**CLOSING REMARKS:**

Lieutenant Governor McKee stated "Good people get beat by bad systems every day of the week." We need to continue our efforts to "Advance RI".

**ADJOURNMENT:**

The meeting adjourned at 10:25 am.

**Respectfully submitted:**

**Barbara Goodrich  
Executive Assistant to Lt. Governor McKee**

